

FISCAL NOTE

Bill #: HB0090

Title: Allow district estimates of non-levy revenue for computing general fund levy

Primary

Sponsor: Hagener, Toni

Status: Introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Net Impact on General Fund Balance:	0	0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	x	Significant Local Gov. Impact		x	Technical Concerns
	x	Included in the Executive Budget		x	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. Under current law, a school district must use the amount of revenue received in the prior school year as its best estimate of the amount it will receive from tuition and corporate license taxes in the current year. In FY 98, school districts deposited tuition receipts of \$2,453,500 and corporate license tax receipts of \$1,289,547 into the district general fund. These amounts were used as estimates of funding for the FY1999 general fund budgets.
2. The Department of Revenue distributes the corporate license tax from financial institutions to counties in July of each year. School districts know how much the district will receive for the current year when the trustees adopt the district budget in August.
3. Tuition payments are made to the "receiving" district (the district of attendance) one year in arrears. A school district knows how much it will receive in the current year based on prior year tuition agreements.
4. If districts anticipate fully the current year receipts, rather than using prior year actual receipts, for tuition and corporate license taxes when building the district general fund budget it will have a minimal effect on state GTB payments. To the extent that tuition and corporate license tax receipts are increasing in a school district, state GTB costs will be reduced. If corporate license tax or tuition receipts are declining in

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a district, state GTB costs will increase in response. If districts do not anticipate fully the amounts which will be received, state GTB costs will increase. We assume districts anticipate fully the amounts to be received.

FISCAL IMPACT:

FY2000
Difference

FY2001
Difference

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01) 0

0